**Present system of grant for fertilizers**

†3418. SHRI LALIT KISHORE CHATURVEDI: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that only big farmers are getting the benefit of the present fertilizers grant and small farmers are comparatively deprived of its benefits;

(b) whether it is also a fact that basically fertilizers manufacturers are getting the benefits of the existing system of grant for fertilizers;

(c) whether Twelfth Finance Commission has recommended for change in this procedure; and

(d) if so, the steps Government is considering to take in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) The present fertilizer subsidy is distributed to the farmers in the form of notified Maximum Retail Prices of subsidized fertilizers which are much below the actual delivered cost of these fertilizers at farm gate level. The benefit of the present fertilizer subsidy accrues more to farmer who use large amounts of fertilizers as compared to farmers who use smaller amount of fertilizers. However, the subsidy per tonne is uniformly available to all farmers who use subsidized fertilizers.

(b) No, Sir.

(c) and (d) The Twelfth Finance Commission has indicated a need to develop an alternative instrument for release of fertilizer subsidy. A Group of Minister (GoM) was constituted to look into the sustainable use of fertilizers and pertinent subsidy and pricing issues. However, GoM has not recommended by change in existing pattern of subsidy.

**NPPA to share the experience of other countries on drug price control**

†3419. SHRI RAM JETHMALANI:
DR. MURLI MANOHAR JOSHI:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that the National Pharmaceutical Pricing Authority has decided to take benefit of the experience of other countries in the price control of medicines in the country;

(b) if so, the names of officials belonging to the said authority who have gone on foreign tours for the said purpose alongwith the names of the countries, they have visited;

(c) whether these officers have prepared any concrete proposal; and

(d) if so, the outlines of proposals prepared concerning to each country visited by these Indian officials, so far?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) to (d) National Pharmaceutical Pricing

† Original notice of the question was received in Hindi.

Authority (NPPA) has started to study the experience of other countries in the field of pricing and regulatory framework for affordable medicines to see whether benefit can be taken from their experience or not. Shri Pradeep Mehra, Ex-Member Secretary, NPPA and L.M. Kaushal, Director (Monitoring), NPPA visited France, United Kingdom and Isreal in May, 2006 to study pricing and monitoring mechanisms for medicines in these countries. Shri Arun Jha, Member Secretary, NPPA also visited Luxembourg, Brussels and Amsterdam in March, 2007 together with the officials of Department of Chemicals and Petrochemicals for exploring opportunities in the Pharmaceutical and Plastic Sector in these countries. The officers who visited abroad have submitted their tour reports.

**Companies operating on the basis of PPP**

3420. SHRI PENUMALLI MADHU: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the number of firms in the country operating on the principle of Public Private Partnership (PPP) as on date;

(b) whether Government feels that this principle is harmful to the drug industry; and

(c) if so, how Government intends to control the domination of the private sector in the drug industry?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) No such information is being maintained by this Department.

(b) No, Sir.

(c) Government is engaged in strengtheing Pharma CPSUs for manufacture of drugs.

**Revival of fertilizer factories**

3421. SHRI GIREESH KUMAR SANGHI: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether disinvestments in public sector fertilizer companies and corporations have helped to revive and rejuvenate the fertilizer factories like the Paradeep Phosphates Ltd.;

(b) if so, the production and profits/losses after tax incurred by these factories, year-wise since 2001-02; and

(c) what specific steps were taken during these years to revive and rejuvenate the fertilizer factories?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) to (c) The Government had disinvested 74% of Government of India equity in the Paradeep Phosphates Ltd. (PPL) during 2001-02. This was the only Public Sector Fertilizer company in which disinvestment had taken place. The details of production of the company and its profits/losses (after tax) since 2001-02 are given in Statement (*See* below). Immediately on disinvestment, as on 28th Feb. 2002, the management control of the company was transferred to the strategic partner who had purchased the majority share holding and it has ceased to be a Public Sector Undertaking. Hence, the Government taking any steps to revive and rejuvenate the company does not arise.